

IN THE NEWS THIS WEEK

NEWS BRIEFS FROM AROUND THE CAPITOL

JUNE 23-29, 2009

June 23, 2009

Riddle to Nixon: Don't layoff state workers

Kansas City Star, Jason Noble

Republicans on Monday fired off another warning to Gov. Jay Nixon over possible budget cuts. This one came from **Rep. Jeanie Riddle**, of Mokane, imploring the governor not to layoff state workers in his efforts to reduce spending.

"With job loss and the economy being the forefront issue on Missouri citizens' minds, now would be an ill-conceived time to add folks to our unemployment roles (sic) and put more stress on the economy," Riddle wrote in a letter to Nixon. "Not only would the lives of local citizens be negatively affected by these cuts, but so would the economy of central Missouri, which benefits so greatly from state government and its employees."

Daughter slams road renaming

Many letters applaud memorial to rabbi on road adopted by neo-Nazis.

Springfield News-Leader, Chad Livengood

Letters have poured into **state Rep. Sara Lampe's** office since news spread about her effort to get a Springfield roadway renamed after a Jewish civil rights leader. Besides the Springfield unit of the National Socialist Movement, which is voluntarily cleaning the road's ditches, the only other criticism Lampe has gotten came from an unexpected source: Heschel's daughter.

"I don't want Nazis stomping on a highway named for my father. What are they going to do, then, if they don't pick up the litter? The whole thing is disgusting," Susannah Heschel, a professor of Jewish history at Dartmouth College, told The Associated Press. "It may be an attempt to teach the neo-Nazis a lesson. But I think it's an affront to my father's dignity to attach his name to a neo-Nazi highway." Susannah Heschel told The Associated Press her father would have "been appalled" at having his name used for the highway. "He would not feel honored by this," she said.

June 24, 2009

Still says she urged Nixon against veto

Columbia Daily Tribune

State Rep. Mary Still, D-Columbia, said last week that she urged Gov. Jay Nixon's office not to veto money for the Ellis Fischel Cancer Center in Columbia. Missouri Republican Party Executive Director Lloyd Smith criticized Still yesterday for being "absolutely silent" on the issue. "Mary Still would rather protect the governor than do what is best for the citizens of her district," Smith said. However, Still had sent the Tribune an e-mail Friday saying she opposed the veto, in response to comments posted on the newspaper's Web site. Still said she spoke directly with Nixon's chief of staff. "There can be no question as to the merit of the project and the statewide mission," Still said. "In addition, our economy needs the immediate stimulus from the construction project."

June 26, 2009

WH: Missouri Has Tapped 72% of Highway Stimulus

KY3, David Catanese

The White House announced Thursday that Missouri has already put to work 72 percent of its stimulus dollars for highway projects. That amounts to about \$320 million dollars. Under the stimulus law, states are required to use 50 percent of their highway funds by June 29, 2009.

Bills crowding governor's desk

Nixon's vetoes cut \$105M from budget

St. Joseph News-Press, Alyson E. Raletz

The governor said his first vetoes were a move to balance the 2009-2010 state budget the General Assembly approved in May because of updated revenue figures that came in lower than expected. He slashed nearly \$23 million from the operating budget and roughly \$82 million in capital improvements and other projects.

NOTE: Information copied directly from media source

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Rep. Ed Wildberger, D-St. Joseph, is hoping for a local signing ceremony of his bill that would enhance the state's mutual aid system. And **Rep. Jim Guest**, R-King City, is trying to figure out whether Mr. Nixon will sign the state's rejection of national driver's licenses by supporting his legislation to reject the Federal Real ID Act of 2005.

He's sitting in a similar position of other bill authors less than a week away from the deadline. "I haven't heard any reason to believe he would not sign it," Mr. Guest said.

\$430 million cut or frozen in Missouri

St. Louis Post-Dispatch, Virginia Young

Gov. Jay Nixon is cutting or suspending \$430 million in planned spending to cope with sagging tax revenue in the wake of the national recession. Nixon announced Thursday he would postpone college construction projects, kill agricultural research stations, whittle the cost of a public safety radio system, trim dental rate increases and do away with health coaches for some Medicaid patients, among other moves.

...**House Budget Committee Chairman Allen Icet**, R-Wildwood, made a similar point. He said one goal of the federal stimulus funds was to put people to work. "If we're just using them to plug gaps in ongoing programs, I'm not sure how much of a stimulative effect that has," Icet said.

Nixon pares state budget

Ellis Fischel not vetoed but withheld.

Columbia Daily Tribune, Terry Ganey

Gov. Jay Nixon signed the state's budget today and announced he would withhold — but not veto — \$91.3 million in university construction projects, including money for the Ellis Fischel Cancer Center on the University of Missouri campus. **Rep. Chris Kelly**, D-Columbia, said he was very pleased Nixon did not veto the Ellis Fischel project. He said that means that there will be no more legislative battles over whether the project should be funded. "The withholding of funds is less serious than a veto," Kelly added. He said that would provide a chance to talk to the governor's office about releasing the money as it is needed to complete a hospital tower complex on the MU campus.

Rep. Mary Still, D-Columbia, said in prepared remarks that she also was "pleased" with the cancer center appropriation but "disappointed" that the funds would be withheld.

Ellis Fischel funding in limbo

Capitol Calling, Jason Rosenbaum

...Because of Nixon's decision, **Rep. Chris Kelly**, D-Columbia, said people will know that the funding for the project "will be there, ultimately." "And second, the possibility exists that we can get some of money released if it's needed to make the tower go," Kelly said. "So, I'm very encouraged." When asked if the move would delay the construction of structure, Kelly said "I don't necessarily think that." "It's possible, but not by any stretch of the imagination likely," Kelly said. "It's certainly possible."

Lawmakers divided over Nixon withholding Ellis Fischel funding

Columbia Missourian, Jim Holt

State Rep. Chris Kelly, D-Columbia, said one of the main forces driving the governor's decision probably was the overwhelming amount of support from citizens of both Columbia and Boone County, including Forsee, MU and the Columbia Chamber of Commerce. "There was a lot of pressure, particularly from the Columbia and Boone County areas to not veto," Kelly said. Schaefer noted that Ellis Fischel is the only cancer treatment center that helps patients who lack health insurance. Kelly argued the withholding is much better than a veto. "Had it been vetoed, we would have to go back to square 1, going through the whole legislative process again." He said that with a withholding, some of the \$31.2 million could be released to get the project going.

State Rep. Mary Still, D-Columbia, disapproved of the withholding, but agrees that it is far better than the veto. "The governor's decision to appropriate this money in these budget times shows his understanding of the importance of the research mission of the university," Still said.

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Nixon uses veto power to retaliate against MoDOT

Springfield News-Leader, David A. Lieb, AP

Gov. Jay Nixon has vetoed money for the Missouri Department of Transportation in retaliation for a publicly financed lobbying effort against a bill relaxing Missouri's motorcycle helmet mandate. On Thursday, Nixon vetoed \$33,000 from the transportation department's administrative budget for expenses and equipment during the fiscal year that starts next Wednesday. The Democratic governor said in a written veto message that the cut was "due to administrative inefficiencies." Nixon spokesman Jack Cardetti confirmed Friday that the veto was in response to the poll on the motorcycle helmet law, which was funded from Missouri's share of federal highway safety money. "The governor thought that political polling was a waste of taxpayers' dollars and therefore he took it out of their administrative budget for next year," Cardetti said.

Legislature's stimulus panel to hold first meeting in St. Louis

St. Louis Post-Dispatch, Jake Wagman

The Missouri Legislature's joint committee on stimulus spending will hold its first hearing 10 a.m. Monday at the Wainwright state office building in downtown St. Louis. The new committee "will study ways to maximize the amount of federal funds received" and "provide oversight to ensure that the funds are properly spent," according to release sent today.

June 28, 2009

Trio honored for efforts to reform Missouri child care safety standards

St. Louis Post-Dispatch, Nancy Cambria

St. Louis-based Child Day Care Association has awarded its annual Children's Champion Award to Shelley and Steve Blecha and Missouri **State Rep. Rachel Storch**, D-St. Louis.

The organization, which provides parents with quality child care referrals, honored the three at their annual awards breakfast Thursday for their efforts to improve child care safety standards in Missouri.

June 29, 2009

NIXON'S WEEK 24 GRADE: A –

KY3, David Catanese

After Gov. Jay Nixon announced \$430 million dollars in cuts and restrictions from the 2010 state budget, the Missouri Republican Party accused him of "mismanagement." But it appears that Nixon was able to swing his ax without the tree falling back on him. Vetoes are never pleasant. They are a test of priorities. But while there was the expected disappointment and grumbling, Nixon seemed to dodge major fallout from his decisions. When Nixon cut \$4.5 million for a business incubator in Southeast Missouri, the dean of the business school told the Southeast Missourian, "it's disappointing, and we understand the situation." When Nixon sliced \$10 million for a highway interchange in Jefferson City, the local Chamber of Commerce didn't seem surprised, calling the project "a long-shot." KBIA even quoted a sympathetic Sen. Gary Nodler, explaining that cuts were needed due to deteriorating revenues. Heck, he even shrunk government, firing 200 more employees (isn't that conservative?). And the Governor even flexed some muscle by vetoing MoDOT money in retaliation for taxpayer financed poll the agency used to show support for the motorcycle helmet law. It's not that the cuts aren't without local consequences, it's that most people seem to be giving Nixon a pass. The economy is rough, so the state has to tighten its belt. Even the Governor talked about rolling the dice and praying "our budget turns around." But he quickly added, "Frankly, that is the exact type of thinking that has landed so many other states in the dire straits they find themselves in today." Oh, and one more thing: Nixon made his cuts the day Michael Jackson died. As a media savvy friend of mine concluded, "Most regular people won't know about it, and the rest will forget."

ANALYSIS: Nixon's spending, budget cuts are nearly balanced

Columbia Missourian, Chris Blank, AP

Gov. Jay Nixon has touted almost as much new state spending as he has axed in order to balance Missouri's budget. Last week, the Democratic governor vetoed \$105 million from the 2010 budget taking effect Wednesday. Calling the cuts a "near record," Nixon said they were needed to preserve state support for health care, education and economic development.

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But the money-saving vetoes were nearly offset by the \$95 million cost of Nixon's marquee new programs. Public universities and community colleges will get \$40 million to expand health education programs under an initiative backed by Nixon. And an economic development bill that Nixon has called "my jobs bill" increases business tax breaks by about \$55 million. A final, official cost estimate for the economic development legislation has not been prepared. But it expands three existing tax credit programs by a total of \$40 million and exempts businesses from paying nearly \$15 million in corporate franchise taxes on their assets.

Governor Nixon considering special session for bond package

MissouriNet, Brent Martin

Governor Nixon indicates there is a possibility, right now only a possibility, that he could call the legislature into special session to consider a bond package to pay for capital improvements. Governor Nixon has written the legislature about the possibility of sending a new, \$700 million bonding package to voters. Nixon says he has been talking with lawmakers about the issue. He says his sense is that the proposal has been well received. The timing is important. Interest rates are low, which would allow the state to issue more bonds at less cost. The federal economic stimulus package provides incentives for states to issue bonds. "Couple that with the fact that we're retiring the third state building fund bonds," Nixon says, "And that I have committed, as I committed in that letter, that we find the resources such that we wouldn't cut state services and that we would be able to fund this without affecting Missouri's Triple A bond rating."

The bond proposal has been pushed by **Rep. Chris Kelly**, a Democrat from Columbia, who says the timing couldn't be better. The legislature has appropriated between \$39 and \$46 million each year to pay off the current bond package. Kelly envisions using that same funding to pay off the new bond package in 20 years, though the resolution he sponsored during the legislative session actually gave the state 25 years to pay it off.

Kelly says the state should act to take advantage of the federal incentive, which could pick up as much as 35% of the interest the state would pay on the bonds. Also, the economic recession has thrown people out of work and crippled state revenue.

"That's why I'm so enthusiastic about the bond issue, because the bond issue is a way to get people to work in Missouri, right now," says Kelly.